

Greenlee County
Single Audit Reports

Year Ended June 30, 2011

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Greenlee County
Single Audit Reports
Year Ended June 30, 2011
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**Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Basic Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Auditor General of the State of Arizona

The Board of Supervisors of
Greenlee County

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greenlee County, Arizona, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 25, 2013. Our report was modified as to consistency because of the implementation of Governmental Accounting Standards Board Statement No. 54. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

The County's management is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's basic financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs, as items 11-01 through 11-03 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that is required to be reported under Government Auditing Standards.

Greenlee County's responses to the findings identified in our audit are presented on pages 14 through 16. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, the Board of Supervisors, management, and others within the County, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Handwritten signature in cursive script that reads "Fester & Chapman P.C." with a stylized ampersand.

January 25, 2013

**Independent Auditors' Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program and on
Internal Control Over Compliance in Accordance with OMB Circular A-133**

The Auditor General of the State of Arizona

The Board of Supervisors of
Greenlee County

Compliance

We have audited Greenlee County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The County's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Greenlee County compiled, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as an item 11-101.

Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 11-101 to be a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Greenlee County as of and for the year ended June 30, 2011, and have issued our report thereon dated January 25, 2013. Our report was modified as to consistency because of the implementation of Governmental Accounting Standards Board Statement No. 54. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The County's responses to the findings identified in our audit are presented on page 14. We did not audit the County's responses and accordingly, we express no opinion on them.

Page Three

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, the Board of Supervisors, management, others within the County, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Foster & Chapman P.C.

January 25, 2013

Greenlee County
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ and Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Agriculture			
Direct Program:			
Cooperative Law Enforcement	10.unknown	N/A	\$ 10,000
Passed through the Arizona State Treasurer:			
Schools and Roads - Grants to States	10.665	None	<u>610,140</u>
Total U.S. Department of Agriculture			<u>620,140</u>
U.S. Department of the Interior			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	<u>816,028</u>
U.S. Department of Justice			
Direct Program:			
State Criminal Alien Assistance Program	16.606	N/A	314
Passed through the Arizona Criminal Justice Commission:			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	16.803	DC-10-003	<u>30,327</u>
Total U.S. Department of Justice			<u>30,641</u>
U.S. Department of Labor			
Passed through the Arizona Department of Economic Security:			
Workforce Investment Act Cluster:			
WIA Adult Program	17.258	DE101066001	17,013
WIA Adult Program	17.258	DE111008001	9,904
WIA Youth Activities	17.259	DE101066001	25,584
WIA Youth Activities	17.259	DE111008001	31,655
WIA Dislocated Workers	17.260	DE101066001	2,215
WIA Dislocated Workers	17.260	DE111008001	<u>4,941</u>
Total Workforce Investment Act Cluster			91,312
WIA Nursing Grant	17.267	DE091207001	<u>22,297</u>
Total U.S. Department of Labor			<u>113,609</u>
U.S. Department of Transportation			
Direct Program:			
Airport Improvement Program	20.106	N/A	6,714
Passed through the Governor's Office of Highway Safety:			
Selective Traffic Enforcement	20.unknown	2010-PT-053	9,025
Passed through the Arizona Emergency Response Commission:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	None	<u>1,500</u>
Total U.S. Department of Transportation			<u>17,239</u>

(Continued)

See accompanying notes to schedule.

Greenlee County
Schedule of Expenditures of Federal Awards
Year ended June 30, 2011
(Continued)

Federal Grantor/ Pass-through Grantor/ and Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
Institute of Museum and Library Services			
Passed through the Arizona State Library, Archives and Public Records:			
Grants to States	45.310	None	\$ <u>2,500</u>
U.S. Department of Energy			
Passed through the Arizona Department of Commerce:			
ARRA - Energy Efficiency and Conservation Block Grant Program	81.128	016-10-24	<u>117,845</u>
U.S. Department of Education			
Passed through the Governor's Office of Economic Recovery:			
ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	84.397	OER-11-IGA-GS-32	<u>435,842</u>
U.S. Elections Assistance Commission			
Passed through the Arizona Secretary of State:			
Help America Vote Act Requirements Payments	90.401	DC-10-013	<u>5,568</u>
U.S. Department of Health and Human Services			
Passed through the Arizona Department of Health Services:			
Public Health Emergency Preparedness	93.069	12-007889	297,231
Immunization Grants	93.268	HG854286	25,073
Centers for Disease Control and Prevention_ Investigations and Technical Assistance	93.283	HG761265	44,124
HIV Prevention Activities_Health Department Based	93.940	HG852274	3,510
Maternal and Child Health Services Block Grant to the States	93.994	HG854249	6,052
Passed through the Arizona Secretary of State:			
Voting Access for Individuals with Disabilities_Grants to States	93.617	None	<u>1,845</u>
Total U. S. Department of Health and Human Services			<u><u>377,835</u></u>

(Continued)

See accompanying notes to schedule.

Greenlee County
Schedule of Expenditures of Federal Awards
Year ended June 30, 2011
(Concluded)

Federal Grantor/ Pass-through Grantor/ and Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Homeland Security			
Passed through the United Way:			
Emergency Food and Shelter National Board Program	97.024	025200	\$ 9,519
Passed through the Arizona Department of Emergency and Military Affairs:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	1586-DR-AZ-11-99011	115,100
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	1888-DR-AZ-11-99011	<u>47,871</u>
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)			162,971
Emergency Management Performance Grants	97.042	2010-EP-EX-00034	85,867
Passed through the Arizona Department of Homeland Security:			
Homeland Security Grant Program	97.067	777307-02	2,240
Homeland Security Grant Program	97.067	555302-01	1,603
Homeland Security Grant Program	97.067	555308-01	1,647
Homeland Security Grant Program	97.067	777317-01	<u>3,274</u>
Total Homeland Security Grant Program			<u>8,764</u>
Total U.S. Department of Homeland Security			<u>267,121</u>
Total Expenditures of Federal Awards			<u>\$ 2,804,368</u>

See accompanying notes to schedule.

Greenlee County
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2011

NOTE 1 - BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Greenlee County, Arizona and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2011 Catalog of Federal Domestic Assistance. When no CFDA number had been assigned to a program and there was no federal contract number, the two-digit federal agency identifier, a period, and the word "unknown" were used.

NOTE 3 - SUBRECIPIENTS

From the Federal expenditures presented in the schedule, the County awarded the following to subrecipients:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount</u>
Schools and Roads - Grants to States	10.665	\$ 160,140

Greenlee County
Schedule of Findings and Questioned Costs
Year Ended June 30, 2011

SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unqualified	
	<u>Yes</u>	<u>No</u>
Internal control over financial reporting:		
Material weaknesses identified?	<u>X</u>	<u> </u>
Significant deficiencies identified?	<u> </u>	<u>X</u>
		(None reported)
Noncompliance material to the financial statements noted?	<u> </u>	<u>X</u>

Federal Awards

Internal control over major programs:		
Material weakness identified?	<u>X</u>	<u> </u>
Significant deficiencies identified?	<u> </u>	<u>X</u>
		(None reported)

Type of auditors' report issued on compliance for major programs:	Unqualified	
Any findings disclosed that are required to be reported in accordance with Circular A-133 (section .510[a])?	<u> </u>	<u>X</u>

Major programs:

CFDA Number	Name of Federal Program or Cluster
15.226	Payments in Lieu of Taxes
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services
93.069	Public Health Emergency Preparedness

Dollar threshold used to distinguish between Type A and Type B programs:	\$	300,000
Auditee qualified as low-risk auditee?	<u> </u>	<u>X</u>

Other matters:

Auditee's Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (section .315[b])?	<u>X</u>	<u> </u>
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Greenlee County
Schedule of Findings and Questioned Costs
Year Ended June 30, 2011

FINANCIAL STATEMENT FINDINGS

11-01 INTERNAL CONTROL - SEGREGATION OF DUTIES (REPEAT FINDING: SEE 10-01)

- Criteria: The County should have an adequate segregation of duties and responsibilities in the handling and recording of payroll transactions.
- Condition: An individual who is responsible for processing payroll transactions also can create and/or modify employee computer payroll records.
- Cause: Limited number of personnel.
- Effect: The lack of segregation of duties increases risks of errors, and/or misappropriation of assets which would not be prevented or detected.
- Recommendation: The County should implement adequate segregation of duties over the payroll process to help ensure no unauthorized or undocumented transactions occur.

11-02 INTERNAL CONTROL - JOURNAL ENTRIES (REPEAT FINDING: SEE 10-02)

- Criteria: A journal entry should be supported by a journal entry form with supporting documentation and authorization by a county official, and all adjusting and closing entries should be recorded in the County's general ledger according to Uniform Accounting Manual for Arizona Counties (UAMAC) VI-B-2 and VI-B-6.
- Condition: Signature or initials of the county official authorized to approve the journal entries is not documented, and year-end closing entries from the prior fiscal years were not properly recorded in the prior fiscal years' records.
- Cause: The County has not included these procedures as part of their processing of journal entries and year-end closing entries.
- Effect: The lack of documentation regarding the authorization of journal entries increases the likelihood that improper and unauthorized journal entries will be posted to the general ledger. In addition, the risk of financial statement misstatement is increased when adjusting and closing entries are not recorded in the general ledger.
- Recommendation: The County should develop procedures concerning the authorization and recording of journal entries consistent with UAMAC VI-B-2 and VI-B-6.

Greenlee County
Schedule of Findings and Questioned Costs
Year Ended June 30, 2011

11-03 INTERNAL CONTROL - TIMELINESS OF FINANCIAL REPORTING
(REPEAT FINDING: SEE 10-03)

- Criteria: The County should provide timely and accurate record keeping.
- Condition: The County did not prepare its financial records for audit in a timely manner.
- Cause: Unknown.
- Effect: The financial statements were not completed until over sixteen months after the end of the fiscal year. According to OMB Circular A-133 sections .300(d) and (e), a recipient of federal awards is required to prepare appropriate financial statements and to ensure that audits required are performed and submitted when due. Failure to prepare the financial statements and complete the audit in accordance with OMB Circular A-133 could result in the suspension of federal funding. Additionally, untimely financial information has the result of preventing those charged with governance from making informed financial decisions.
- Recommendation: The County should prepare its financial records for audit in a timely manner.

Greenlee County
Schedule of Findings and Questioned Costs
Year Ended June 30, 2011

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

11-101 TIMELINESS OF FINANCIAL REPORTING

CFDA: Not Applicable.

Federal Agency: Not Applicable.

Questioned Costs: Not Applicable.

Criteria: OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, §.320 requires the County to submit its Single Audit Report to the federal clearinghouse no later than nine (9) months after the fiscal year end.

Condition and Context: The federal reporting deadline for the County's Single Audit Report was March 31, 2012; however the County did not issue the report until January 25, 2013.

Effect: The County did not comply with OMB Circular A-133 audit requirements. The late submission of the Single Audit Report affects all federal programs administered by the County. This finding is noncompliance with OMB Circular A-133, §.320. However, this finding does not result in a control deficiency over compliance or noncompliance for the individual federal programs.

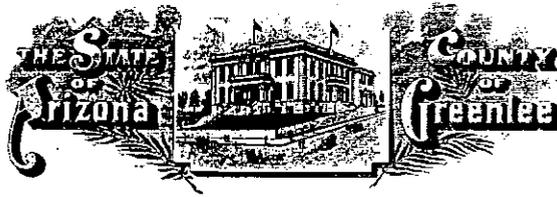
Cause: The County was late submitting its prior year Single Audit Report and, therefore, delayed preparation of its fiscal year 2011 reports.

Recommendations: The County should submit its Single Audit Report to the federal clearinghouse by the required deadline.

DEBORAH K. GALE
County Administrator
(928) 865-2310

YVONNE PEARSON
Clerk of the Board
(928) 865-2072

FACSIMILE (928) 865-9332



BOARD OF SUPERVISORS
P.O. BOX 908
253 5TH STREET
CLIFTON, AZ 85533

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District 1

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District 2

ROBERT CORBELL
District 3

January 25, 2013

Ms. Debbie Davenport, Auditor General
State of Arizona, Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, Arizona 85018

Dear Ms. Davenport:

The accompanying Corrective Action Plan has been prepared as required by the standard applicable to financial audits contained in *Governmental Auditing Standards*, and U.S. Office of Management and Budget Circular A-133. Specifically, we are providing you with the names of the contact persons responsible for corrective action, the corrective action planned, and the anticipated completion date for each audit finding included in the current year's Schedule of Finds and Questioned Costs.

Please do not hesitate to contact my office if you have any questions or need further information.

Sincerely,

Deborah K. Gale, County Administrator
Greenlee County

Greenlee County, Arizona
Corrective Action Plan
Year Ended June 30, 2011

Financial Statement Findings

Item: 11-01 (Repeat Finding)

Subject: Internal Control – Segregation of Duties

Contact Person: Kay Gale, County Administrator

Anticipated Completion Date: Ongoing

Corrective Action: The county is currently working on improving the existing policies and procedures for stronger internal controls in order to segregate the handling and recording of any one transaction from beginning to end. As of January 1, 2012 the county hired a Chief Finance Officer to provide additional controls and segregation of handling and recording transactions.

Item: 11-02 (Repeat Finding)

Subject: Internal Control – Journal Entries

Contact Person: Kay Gale, County Administrator

Anticipated Completion Date: Ongoing

Corrective Action: The journal entry process was modified starting March 1, 2010 to include an audit trail of approvals, entry, etc. The new accounting software has also addressed this issue. Additionally, the county has implemented policies and procedures for stronger internal controls. This action item has already been corrected, and the county will continue to ensure policies and procedures are being implemented.

Item: 11-03 (Repeat Finding)

Subject: Internal Control – Timeliness of Financial Reporting

Contact Person: Kay Gale, County Administrator

Anticipated Completion Date: Immediately

Corrective Action: The County has implemented an internal policy to ensure timely preparation of the financial statements. In doing so, the county has contracted with a firm to prepare

financial statements in compliance with generally accepted accounting principles. Completion of the single audit within the required time period is a priority. The county is working with the Arizona Auditor General's Office to ensure audits are completed within the required time periods. As of January 1, 2012 the county hired a Chief Finance Officer to also assist with this action item.

Federal Award Finding

Item: 11-101

Subject: Timeliness of Financial Reporting

Contact Person: Kay Gale, County Administrator

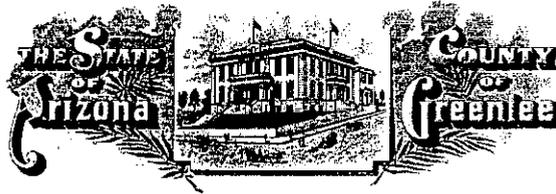
Anticipated Completion Date: Immediately

Corrective Action: Completion of the single audit within the required time period is a priority. The county is working with the Arizona Auditor General's Office to ensure audits are completed within the required time periods. As of January 1, 2012 the county hired a Chief Finance Officer to also assist with this action item.

DEBORAH K. GALE
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January 25, 2013

Ms. Debbie Davenport, Auditor General
State of Arizona, Office of the Auditor General
2910 North 44th Street, Suite 410
Phoenix, Arizona 85018

Dear Ms. Davenport:

The accompanying Summary Schedule of Prior Audit Findings has been prepared as required by U.S. Office of Management and Budget Circular A-133. Specifically, we are reporting the status of the audit findings included in the prior audit's Schedule of Findings and Questioned Costs related to federal awards. This schedule also includes audit findings in the prior audit's Summary Schedule of Prior Audit Findings that were not corrected.

Please do not hesitate to contact my office if you have any questions or need further information.

Sincerely,

Deborah K. Gale, County Administrator
Greenlee County

Greenlee County
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2011

Status of Prior Year Federal Award Findings and Questioned Costs

Finding No: 08-11, 07-09

CFDA No: 10.665, 15.226, 93.283, 97.067

Program: Schools and Roads – Grants to States, Payments in Lieu of Taxes, Centers for Disease Control and Prevention – Investigations and Technical Assistance, Homeland Security Grant Program

Status: Not corrected

Corrective Action: The County has implemented an internal policy to ensure timely preparation of the financial statements. In doing so, the county has contracted with a firm to prepare financial statements in compliance with generally accepted accounting principles. Completion of the single audit within the required time period is a priority. The county is working with the Arizona Auditor General's Office to ensure audits are completed within the required time periods. As of January 1, 2012 the county hired a Chief Finance Officer to also assist with this action item.

Finding No: 08-12, 07-11

CFDA No: 10.665.15.226, 93.283, 97.067

Program: Schools and Roads – Grants to States, Payments in Lieu of Taxes, Centers for Disease Control and Prevention – Investigations and Technical Assistance, Homeland Security Grant Program

Status: Not corrected

Corrective Action: The County is currently working on improving the existing policies and procedures for stronger internal controls in order to segregate the handling and recording of any one transaction from beginning to end. As of January 1, 2012 the county hired a Chief Finance Officer to provide additional controls and segregation of handling and recording transactions.

Finding No: 08-13, 07-12

CFDA No: 10.665.15.226, 93.283, 97.067

Program: Schools and Roads – Grants to States, Payments in Lieu of Taxes, Centers for Disease Control and Prevention – Investigations and Technical Assistance, Homeland Security Grant Program

Status: Not corrected

Corrective Action: The journal entry process was modified starting March 1, 2010 to include an audit trail of approvals, entry, etc. The new accounting software has also addressed this issue. Additionally, the county has implemented policies and procedures for stronger internal controls. This action item has already been corrected, and the county will continue to ensure policies and procedures are being implemented.

Finding No: 08-14, 07-13

CFDA No: 10.665, 15.226, 93.283, 97.067

Program: Schools and Roads – Grants to States, Payments in Lieu of Taxes, Centers for Disease Control and Prevention – Investigations and Technical Assistance, Homeland Security Grant Program

Status: Not corrected

Corrective Action: The County is currently working on improving the existing policies and procedures for stronger internal controls in order to segregate the handling and recording of any one transaction from beginning to end. As of January 1, 2012 the county hired a Chief Finance Officer to provide additional controls and segregation of handling and recording transactions.